

Message Text

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10

ACTION EA-09

INFO OCT-01 EUR-12 ISO-00 AID-05 L-03 IGA-01 ABF-01 A-01

USIE-00 OPR-02 FS-01 CIAE-00 PM-04 H-02 INR-07

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 SSO-00 NSCE-00

INRE-00 COME-00 EB-07 FRB-03 TRSE-00 XMB-02 OPIC-03

CIEP-01 LAB-04 SIL-01 OMB-01 /095 W
----- 127715

O R 161010Z OCT 75

FM AMEMBASSY VIENTIANE

TO SECSTATE WASHDC IMMEDIATE 5447

INFO AMEMBASSY BANGKOK

AMEMBASSY PARIS

DIA WASHDC//AH//

CINCPAC

C O N F I D E N T I A L VIENTIANE 5960

DEPT ALSO PASS AID

BANGKOK ALSO FOR FADPC

CINCPAC FOR POLAD

E.O. 11652: GDS

TAGS: PFOR, AFIN, LA, US

SUBJ: STATUS OF EMBASSY'S BANK ACCOUNTS

REF: VIENTIANE 5907 (100935Z OCT 75) AND PREVIOUS.

1. WITH END OF "INDEPENDENCE DAY" OBSERVANCES WHICH HAD
IMMOBILIZED PGNU, AND PARTICULARLY AFTER HEARING FROM
LOCAL COMMERCIAL SOURCE ON OCTOBER 15 THAT BANQUE DE
L'INDOCHINE (BIC) HAD REOPENED AT LEAST TO SOME EXTENT
AND FOR UNKNOWN PERIOD, WE SOUGHT INFORMATION ON STATUS
OF OUR ACCOUNTS OCTOBER 16.

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2. SENIOR B&F LOCAL VISITED BIC AND WAS TOLD WE COULD MAKE WITHDRAWALS FROM OUR KIP ACCOUNT AS OTHER CUSTOMERS WERE DOING, BUT AN AUTHORIZATION FROM NATIONAL BANK (NBL) WOULD BE REQUIRED. HE THEN CALLED ON NBL GOVERNOR OUDON PHOLSENA AND WAS TOLD EMBASSY SHOULD SUBMIT LETTER TO NBL ASKING FOR AUTHORITY TO DRAW ON BIC ACCOUNT.

3. MORE SIGNIFICANTLY, OUDON ALSO TOLD B&F LOCAL THAT THE PRESENT USDO ACCOUNT AT THE NBL WAS A "USAID ACCOUNT" AND THEREFORE PROPERTY OF LAO GOVERNMENT. THIS POSITION IS, OF COURSE, WHAT WE HAVE ANTICIPATED FOR SOME TIME, AND AS WASHINGTON HAS NOTED, THERE IS USAID TRUST-FUND MONEY IN THE ACCOUNT.

4. OUR PRESENT PLANNING, UNLESS DEPARTMENT SEES OBJECTION, IS TO SEND ADMIN OFFICER BACK TO SEE OUDON OCTOBER 17 TO SEEK A FULLER AND MORE AUTHORITATIVE STATEMENT OF PGNU POSITION. WE ALSO PLAN TO RAISE MATTER AT APPROPRIATE LEVEL OF FOREIGN MINISTRY, EXPRESSING ASTONISHMENT AT THIS UNILATERAL STATEMENT OF POSITION FOR WHICH WE HAVE BEEN GIVEN NO EXPLANATION. (APPROACH TO FOREIGN MINISTRY WOULD BE ESSENTIALLY PRO FORMA, SINCE WE HAVE AMPLE REASON TO BELIEVE THAT OUDON AND MUNICIPAL REVOLUTIONARY ADMINISTRATIVE COMMITTEE ARE CALLING SHOTS IN BANKING SITUATION, NOT CONVENTIONAL PGNU MINISTRIES.)

5. APRT FROM DEPARTMENT COMMENTS ON FOREGOING PARAGRAPH, WE WOULD ALSO WELCOME ANY OTHER GUIDANCE WHICH DEPARTMENT MAY HAVE DEVELOPED SINCE DISPATCH OF STATE 231008 (NOTAL), PARTICULARLY AS TO WHETHER WE SHOULD NOW SURFACE RAMSEY-TO-KHAMSING LETTER INFORMING PGNU OF READINESS TO TURN OVER 27 MILLION KIP (PLUS POSSIBLY THE ADDITIONAL 10.7 MILLION KIP ALSO IDENTIFIED AS BEING OF USAID ORIGIN) AND ARGUE FOR RESTORATION OF REMAINING APPROXIMATELY 39 MILLION KIP IN SAME ACCOUNT.

6. WE MAY ALSO WISH TO CONSIDER TRANSFERRING OUR BIC ACCOUNT TO A SECOND, "CLEAN" ACCOUNT IN NBL, SINCE IT APPEARS THAT NBL WILL SOON BE THE ONLY BANK IN LAOS, ALTHOUGH SUCH ACTION MIGHT JEOPARDIZE WHATEVER CHANCE
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WE HAVE OF RECOVERING ALL OR PART OF OUR ORIGINAL NBL ACCOUNT AS WE POINTED OUT IN VIENTIANE 5743.

7. REQUEST INSTRUCTIONS.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BANK ACCOUNTS, EMBASSIES
Control Number: n/a
Copy: SINGLE
Draft Date: 16 OCT 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975VIENTI05960
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750358-1150
From: VIENTIANE
Handling Restrictions: n/a
Image Path:
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Legacy Key: link1975/newtext/t19751049/aaaabrqi.tel
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Margaret P. Grafeld
Declassified/Released
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EO Systematic Review
06 JUL 2006

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Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
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